



FOR IMMEDIATE RELEASE
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ARIZONA TO BENEFIT FROM FEDERAL HOUSING ACT
President Signs Housing, Economic Recovery Act of 2008 after Governors' Letter

PHOENIX – Arizona will receive needed federal resources to fight the housing slump and keep many Arizona families in their homes, thanks to new federal housing stimulus legislation signed by the President today.

As Arizona families continue to struggle with the economic problems stemming from the strained housing market, Arizona stands to benefit from a number of provisions included in the new law – including additional loan refinancing options and new funding for neighborhood revitalization. Governor Janet Napolitano had previously written to Congressional leadership in support of the bill, and wrote with 13 other governors to the President, urging his support for it.

“Families in Arizona are going through hard times because of the many effects of the economy, including the slowdown of the housing market and the increase in foreclosures. Here in Arizona, we’ve already been taking concrete actions to help the families and communities that are affected,” Governor Napolitano said. “This new funding allows us to do even more, directing new resources to fight foreclosures and neighborhood blight. I’ve strongly advocated for this action from the federal government, and I want to thank the leadership in Congress for pushing for this measure. I also want to thank the members of Arizona’s Congressional delegation who supported this important bill.”

While many state and local allocations from the bill have yet to be announced, the newly enacted legislation will help to bolster existing Arizona programs, as well as provide funding for new housing-related initiatives.

Programs that Arizona has already enacted stand to benefit from the bill. For example, the state has already taken a number of steps through use of its Housing Trust Fund – steps that include the creation of a toll-free Arizona foreclosure hotline. The existence of the Housing Trust Fund is critical to the state’s ability to receive matching funds from the new federal funding – which, in turn, will strengthen the efforts already underway in Arizona.

The new legislation provides for new programs that will help Arizonans. These include:

- A refinancing program by the Federal Housing Administration aimed at foreclosure prevention
- Additional Community Development Block Grant (CDBG) funds to help localities and non-profits purchase and rehabilitate foreclosed homes in an effort to mitigate blight caused by abandoned homes
- Expanded affordable housing options that will be made available through a temporary increase to the Housing Credit and Bond caps
- The creation of a National Affordable Housing Trust Fund to help develop housing for very-low income families across America and in Arizona

Arizona has already led the way in addressing the problems of the housing market through various programs, including:

- Creating of a toll-free Arizona mortgage foreclosure hotline to connect homeowners with local, specially-trained foreclosure counselors around the state, ***1-877-448-1211***
- Allocating additional Housing Trust Fund resources to support counseling and outreach efforts in highly-impacted areas and to fund foreclosure counseling training around the state. The recent federal legislation will allow the continuation of this program.
- Signing of state legislation to license and regulate loan originators
- Expanding Eviction Prevention and Emergency Housing funding to provide one-time assistance to struggling families for costs like mortgage payments, rental payments, housing deposits and utility assistance
- Creating the Arizona Foreclosure Prevention Task Force, a collaboration of more than 125 organizations, lenders, community leaders and government representatives that together engage in outreach and education efforts to assist homeowners facing foreclosure
- The Governor's meetings with lenders and servicers to identify ways to help Arizona families facing foreclosure

Attached are the letters sent to the Arizona Congressional Delegation, Congressional leadership and the President.

For more information about the Office of the Governor and information to help Arizonans facing foreclosure, please visit www.azgovernor.gov.